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November 5, 2001

Mr. Tom Dorman
Executive Director
Kentucky Public Service Commission
730 Schenkel Lane
Frankfort, Kentucky 40602

Re: *Petition by AT&T Communications of the South Central States, Inc. and TCG Ohio for Arbitration of Certain Terms and Conditions of a Proposed Agreement with BellSouth Telecommunications, Inc. Pursuant to 47 U.S.C. Section 252 PSC 2000-465*

Dear Mr. Dorman:

This letter is to inform the Commission that AT&T Communications of the South Central States, Inc. and TCG Ohio (hereinafter "AT&T") and BellSouth have not been able to resolve certain issues relating to intercarrier compensation in Section 5.3.1.1 of Attachment 3 in the interconnection agreement filed with this Commission on July 20, 2001. AT&T and BellSouth have agreed to continue negotiations with respect to these issues past the October 8, 2001 deadline stated in BellSouth's letter to the Commission dated September 20, 2001.

AT&T expects to have these issues resolved by December 24, 2001. At that time, AT&T and BellSouth will either file the agreed upon language or pursue the appropriate remedies available pursuant to the interconnection agreement. AT&T reserves any and all rights to petition this Commission for resolution of the issues involved should AT&T and BellSouth not be able to agree on negotiated contract language.

Please do not hesitate to contact me with any questions. Thank you for your assistance.

Very truly yours,

A handwritten signature in black ink, appearing to be "Sylvia E. Anderson", written over a horizontal line.

Sylvia E. Anderson

cc: Parties of Record